

PHILIP MORRIS U.S.A.

INTER-OFFICE CORRESPONDENCE

120 PARK AVENUE, NEW YORK, N.Y. 10017

TO: *SOPM's*
~~Distribution~~

DATE: June ⁶ 7, 1991

FROM: ~~Headquarter Sales~~
~~Michael Hagan~~

SUBJECT: 3rd Quarter Flexible Budgets
are the section

Cambridge, Alpine and Bristol
Attached please find field budgets for price reduction *subsidy* materials, ~~vehicles on Alpine and Bristol for the 3rd quarter.~~ A couple of points worth noting:

- o Bristol is now included and there will no longer be a monthly allocation of materials on behalf of Bristol. Bristol, however, will not be supported with price ~~reduction vehicles~~ *subsidy items* in excess of \$1.00 off without NYO approval.
- o Bristol's flexible budget should be sufficient to cover 40% of the brand's volume, a substantial increase over previous levels. This increase is designed to accomplish two objectives; first, to be more competitive with Raleigh Extra and Montclair and secondly to support new distribution efforts which will be communicated under separate cover.
- o Alpine's budget has also been increased to allow use of higher denominations as needed to meet competitive efforts.

- *Cambridge*
The ~~3rd qtr.~~ *3rd quarter* budgets have been increased to account for potentially higher coupon values and the need for continued coupon breadth.

The allocation for the coupon money is based on a weighted multiplier factoring in percent contribution by SPACE, Industry and Brand.

2042812873A

MIDAS
Also attached are instructions for using the new coupon budgets screens now listed in the menu. Keep in mind that you must continue to use the Excel spreadsheet for simulation. The MIDAS system is not for simulation. *the screens*
The following Group Codes are to be used when reviewing and ordering:

AL 0391

BR 0391

CA 0391

Brand Quarter Year

2042812873B

cc: D. Hyford
J. Nellenbach
R/P S. Sabella
SSB

2042812874